

Puget Sound Leadership Council
Meeting Summary
WSU Research Center
Mount Vernon, Washington
July 23 & 24, 2008

DAY 1

Members Present:

- Bill Ruckelshaus
- Martha Kongsgaard
- Billy Frank, Jr.
- Diana Gale
- Dan O'Neal
- Steve Sakuma
- Bill Wilkerson

Staff and Other Presenters:

- David Dicks, Executive Director
- Martha Neuman, Action Agenda Director
- Chris Townsend, Special Assistant to Executive Director
- Paul Bergman, Communications Director
- Tammy Owings, Special Assistant to the Leadership Council
- Diane Hodgson, Management Assistant to Bill Ruckelshaus
- Terry Wright, Special Assistant for Billy Frank, Jr.

*It is intended that this summary be used along with notebook materials provided for the meeting.
A full recording of this meeting is retained by Puget Sound Partnership as the formal record.*

Action Items:

- Approve April 29 & 30, 2008 Meeting Summary
- Adopt Science Panel Members Terms

Meeting Summary:

- Action Agenda Status and Update
- Status of Puget Sound's Health and Biggest Threats
- Topic Forums Overview, Status, and Next Steps
- Action Agenda: Where Do We Start?
- Action Agenda: Inventory Follow-up
- Communication and Public Outreach
- Accountability and Adaptive Management
- Integrated Approach to Indicators and Monitoring
- Strategic Science Program Briefing
- Funding Strategy
- Draft Federal Funding Plan

Day 1

9:07 a.m. CALL TO ORDER – Bill Ruckelshaus, Chair

Chair Ruckelshaus called the meeting to order and reviewed the agenda for the day.

Chair Ruckelshaus reviewed the number of meetings that have taken place since the June Leadership Council meeting including the work of the Science Panel and Ecosystem Coordination Board (ECB).

Chair Ruckelshaus discussed a hearing in congress on the Salmon Recovery Act. This would put a seal of approval for creating an office to be the coordination center for federal agencies to assist in the restoration of the health of the Sound. Several people testified in favor of this bill including Bill Ruckelshaus, Ron Kreizenbeck, Kathy Fletcher, and Congressman Dicks.

He reported that staff is also in the middle of the current round of Action Area public meetings.

COUNCIL MEMBER UPDATES/COMMENTS - Councilmembers

- Steve Sakuma (Whidbey & Whatcom Action Areas) reviewed the tour planned for later in the day. The tour will point out some areas of concerns as well as places where they have made some progress. He is hoping this tour will give a good overview of the issues that need to be worked on and what can be done.

Steve reported on activities happening in the Whidbey Action Area since the last meeting including the second round of Action Area meetings, which was held on Tuesday, July 22. This meeting had a good turnout with conversation focusing on the four priorities. He did not hear anything negative on the priorities. There were very good comments made. The Partnership needs to look at those we haven't talked with yet and contact those groups.

- Diana Gale (San Juan Action Area) finding that there seems to be general agreement on the priorities. There have been a couple finance committee meetings that she will let Dan expand on, this will be where to look at how to finance this process. She has been bicycling across Iowa.
- Martha Kongsgaard (South Central Action Area) has been in many of the same meetings that Bill has been attending. There are so many meetings and she is trying to get out of the weeds of the Action Agenda and to look at the overall project to see if it will be bold and coherent. She believes that we have all the pieces but now it is getting the pieces in the right order. Part of the action will be how bold to be in the funding arena – this will be one of the really large

challenges. She recently talked to the Seakeepers group where there were people from all over the world; it was a very interesting meeting.

- Dan O'Neal (Hood Canal Action Area) The Funding subcommittee has met a few times, he is also involved in transportation and he is wondering if there is a confluence where the funding on the transportation side can fit in with the Puget Sound priorities. It is really important to make the connection with people who are doing the work and to help nurture and support the good work that is going on. Need to get people thinking about the big picture.
- Bill Wilkerson (Strait of Juan de Fuca Action Area) Spent the bulk of the last couple months on monitoring. He and Kaleen Cottingham, RCO director, have interviewed all the natural resource agency directors and key staff on monitoring efforts. They have found we have a lot of talent but need to mobilize this talent and manage the work. There are a lot of people who want to do right for Puget Sound. Although we are moving into a tight budget cycle, the optimism still exists that we can do something for the Sound even with the tight budget. There is a lot of competition for the dollars and he is not sure Puget Sound is at the top of the list for what people want to spend money on, so we will need to do a really good job with the outreach and education portion to make the statewide investment in Puget Sound a reality.

On monitoring, everyone wants to help. He will be presenting more of this on day two along with Joel Baker (chair of the Science Panel) and Scott Redman. Again, this is a management issue to get people all going in the same direction on monitoring.

For the Straits Action Area, he wasn't able to attend the Straits meeting but they are making progress and letting us know what is needed for this Action Area. We need to figure out who showed up and who was missing from the table and then contact those who were not in attendance. He was surprised when the Elwha Dam removal was not at the top of the list in this area.

- Billy Frank, Jr. (South Puget Sound Action Area) Thanked Steve for giving us the opportunity to look at the Skagit River, if we can't fix the Skagit we can't fix anything. He talked about the Tribal canoe trip going on where the water is being tested in the Pacific and Straits ending in Vancouver Island. Agrees with Bill Wilkerson on need for getting the troops together and working on projects. They are working on the Nisqually opening up the dikes returning the estuary. All the rivers need a federal master to take care of the watersheds. To get things to happen need to sue to get the attention and the treaties are the law of the land and the treaties are a two way treaty for both the people of the state and the tribes. Everyone should be using the treaties to manage the lands. Talk is about funding and status quo on doing things but need to go back to the treaties. Need

to keep the farmers, need to wake up. The Action Plan needs capacity building and bringing the people into the circle. Wasting time looking for money, need base the funding on the ability to do the work without spending the time on working on the plan.

EXECUTIVE DIRECTOR UPDATE

David Dicks provided an update on what has happened with Puget Sound Partnership since the last meeting:

- Have had 28 public Action Agenda/Topic Forum meetings with average attendance of 100
- Complimented staff on doing these meetings, the priorities are now at about 1,000 feet but getting closer to the runway, right now all the planes are in the air, now we need to get them to land in the right place and in the correct order
- Topic Forums have happened and the papers are getting to final draft
- Action Area profiles are on the web – short summary for each action area and issues for each area
- Staff have been meeting with the different caucuses, working with the state agencies on the state budget and are trying to get this coordinated without the Action Agenda in place
- He met with the tribal group last week and EPA to talk about funding and tribal role
- Had an ECB meeting and, with the new alignment of meetings, these meetings will work very well to assist the Leadership Council
- Science Panel has been meeting often and doing good work
- David has been on the talking circuit, meet with Association of Washington Business along with other key constituent groups
- Hood Canal Dissolved Oxygen study report came out, this report was exceptionally well received and it clearly demonstrated the need for science
- Working with Bill and Martha on the creation of the non-profit, Gerry Grinstein has agreed to be on the non-profit board, and they are still selecting a couple more board members

APPROVAL OF THE APRIL MEETING SUMMARY

Bill Wilkerson **MOVED** to approve the April 29 & 30, 2008, Leadership Council meeting summary. Dan O'Neal **SECONDED** approval. Board **APPROVED** summary as presented.

ACTION AGENDA STATUS AND UPDATE – Martha Neuman (See meeting materials for details.)

Martha reviewed the schedule for the Action Agenda between now and December 1 including another round of public meetings and an additional Leadership Council meeting in November.

The Council discussed actions and indicators and how these two items are related. Indicators are the measures that the Sound needs to meet to achieve a healthy status where actions are what needs to happen to meet the indicators. The Science Panel is looking at potential indicators. There are both ecological and social indicators. How the Leadership Council uses indicators will be important.

The Council talked about the top 25 list asking when this list will be released and they will start having the discussion. Martha reported the Council will start seeing the priority actions at its September meeting.

There was a question on how the Council will be able to provide preliminary approval of the Funding Strategy at the September meeting. Martha noted that it may be November before the Funding Strategy gets final approval.

Martha reviewed the outline for the Action Agenda noting that the main document will be very brief with many appendices.

The Science Panel is looking at the principals and will provide feedback at the September meeting.

Staff needs to review some of the wording in the different sections to make sure we are consistent when using terms. We will need to include a glossary in the Action Agenda.

The Council asked about the overarching issues such as monitoring, legislative changes, and regulatory issues and how those items will be woven in to the Action Agenda?

Martha reported that some of these issues would be addressed under priority A.

The Council discussed the need for technical support, accountability, enforcement, and making sure people are given the knowledge on how to follow the laws such as need to plant trees when logging areas. This is where other plans have failed in the past. We need to make sure we focus on the priorities and then make sure the actions are carried out.

David would like the Leadership Council's assistance in figuring out what the agency should look like after the Action Agenda is in place. They are going to need to figure out what kind of staff will be needed to carry out the Action Agenda and follow-up with actions such as a congressional case-worker. Don't want to be everything to everybody but need to be the portal to getting actions done. Chair Ruckelshaus suggested

addressing this in the Action Agenda – what our role is and what we want to see happen with the Action Agenda.

ACTION AGENDA: FRAMEWORK – Martha Neuman (See meeting materials for details.)

Martha reviewed the four priorities and reviewed how the flow chart should work.

1. Priority A: Ensure that activities and funding are focused on the most urgent and important problems facing the Sound
2. Priority B: Protect the intact ecosystem processes that sustain Puget Sound
3. Priority C: Implement restoration projects that will reestablish ecosystem processes
4. Priority D: Prevent the sources of water pollution

Bill Ruckelshaus noted that at the Science Panel meeting one of the members suggested the four categories under Priority A should be generic and be included under each of the other three priorities (better use of existing tools, employ new tools, adapt “business practices”, and coordinate/focus communication). The Council discussed how there may only need to be three priorities with the current Priority A being in the general description for all priorities.

Steve Sakuma would like to see a visual on who’s in charge, we can’t establish accountability without knowing who is suppose to do the activity. David noted that he has an idea on how to do this and will talk about his idea later in the meeting.

The Council then received presentations on examples of how to identify priority actions using the framework. Presentations were provided by Josh Baldi, Gary Rowe, and Tom Eaton.

Josh Baldi, special assistant to the Director of the Department of Ecology, talked about how Ecology is thinking about how to use this process.

He discussed the shoreline permitting changes and how this new process should help to coordinate activities and bring shoreline permitting into the modern age. The shoreline management act started in 1972. Once the plan has been approved they are implemented at the local level and Ecology has an oversight role. Ecology doesn’t have the capacity to provide the oversight role. They would like to provide the oversight needed as when people believe there will be regulation and enforcement the bar gets raised. Ecology would need \$5.8 million to get the plans in place by 2012. This would be pass through funding to the local governments. So far 66 updates have been funded and will have over 100 completed by next year.

Martha K asked how the Partnership fits in and if Ecology would still do this without the Partnership? Josh reported that yes this would still be one of Ecology's priorities but depending on the level of priority on the Action Agenda, may help guide the budget. Ecology is working on two other issues that should benefit from the Action Agenda including water clean up plans, or TMDLs, which supports Priority D and includes both point and non-point sources.

The other issue is stormwater management. Ecology is looking at pilot projects and Low Impact Development (LID). This won't address all the needs of local government but is addressed in both Priority A as a new tool and Priority D as local implementation with a state oversight role.

Dan O'Neal noted how stormwater is a concern for everyone, especially with transportation, and asked how Ecology works with Washington State Department of Transportation (WSDOT)? Josh reported that this is a big issue and work with WSDOT has gotten better since both are now cabinet agencies.

To provide time for public comment, the Council held off on the remaining presentations until after the lunch break.

PUBLIC COMMENT PERIOD

Rein Attemann, People for Puget Sound and member of the Environmental Caucus, thanked the Council for providing the opportunity for public testimony. He noted how the local people are looking to the Leadership Council to develop a robust Action Agenda. He then highlighted the outreach campaign that People for Puget Sound had initiated. Post card campaign has been successful to give members ability to comment. He highlighted some of the comments. He presented bags to each of the Leadership Council members to encourage the use of reusable bags.

Rachael Berzack, student with Environment Washington, is working on a citizen outreach campaign. The group is gathering support for the Puget Sound Action Agenda and have collected over 11,000 postcards of support so far. This campaign goes through August 2008.

David reported that he got a call at home from this group and they talked about this effort and he thanked them for their efforts.

ACTION AGENDA: FRAMEWORK (Continued)

The local government example was provided by Gary Rowe, Skagit County administrator and Ecosystem Coordination Board member.

Gary provided a local government view on the priority framework. He provided information on activities happening in the Whidbey Action Area including a Birch Bay land use project, the Hamilton relocation out of floodplain, and a Snohomish County farmland protection project although with this project they are having trouble identifying potential participants.

He noted that he can't do justice to all the work the local governments are doing and he suggested inviting local government representatives on the ECB present information on what is being done and what the blocks are to progress.

Gary believes education and outreach for both the citizens and the political representatives is critical in letting them know what is going on and what needs to be done and to get the support needed to get funds.

Funding is critical and if the local governments need to be chasing money it is harder to get the work done.

Gary and the Council discussed the issues facing local governments and how the Partnership can assist and engage the local governments. Local government has many duties and responsibilities and try to get to them all but natural resource activities are lower on the list of priorities and not as critical as health and safety actions.

Gary encouraged the Leadership Council to use an incentive-based process not a negative process.

Tom Eaton, EPA, discussed the Federal Enforcement side of things talking about how federal laws are set up for implementation at the state level. Ecology is the agency that implements the Federal EPA laws in Washington.

Tom talked about the stormwater funding they are looking to implement and reported that they have funded six or seven good projects for this.

He is highlighting three things today and, after the meeting, EPA is going to send a letter to the Partnership to follow-up.

Smart Growth Center for Puget Sound – The work is currently being done out of the Washington DC office but not implemented regionally. If this idea goes forward it would provide local tools for making better growth management decisions. The agency has modeling available to see what would happen depending on different growth patterns.

Compliance, assurance, and enforcement – Tom would like to combine all of these tools not just use enforcement. One area they are investing in is the Duwamish Basin by cleaning up contaminated sediments but we really need to control the sources of pollution first, then clean up. This is harder to do than you would expect. EPA has

found that source control work is harder than expected so they are beefing up this program to make progress. They have added a staff person to help with this.

The third item is interest in working on a project to resolve the differences in how different agencies want to use compliance. Tom reported that the Federal Caucus would be interested in doing this project if the Leadership Council would like them to. This work fits under Priority A. The Council does endorse this but need to provide a location to focus the study on. David will be talk to Tom more about this effort.

The Council talked about how sometimes there are suggestions that sound good but then we are told you can't do it because of an existing law or regulation. Chair Ruckelshaus stressed the need to not limit ourselves by laws or regulations but if we need to then we'll work to change the laws.

Steve Sakuma suggested removing the word 'precedence' from our vocabulary since many times that is the problem.

The Council talked about how the only way to address the differences in different agencies is to get them all to the same table and have honest open conversations and that the ECB is already set up in this construct and are at the table.

PACIFIC SALMON TREATY – Jeff Koenings and Craig Bowhay (See handout for details.)

Jeff Koenings, Director, Department of Fish and Wildlife, gave an overview of the Pacific Salmon Treaty process and who is on the Pacific Salmon Commission.

He reviewed the numbers of fish caught, catch distribution and the new agreement numbers. With the new numbers, over a million fish should stay in the system over the next ten years.

Director Koenings reviewed the cost for the new agreement: \$21.5 million for Washington State and tribal agencies for habitat improvement programs for ESA listed Puget Sound Salmon Stocks. He reported that if we don't get the money then the treaty would need to be renegotiated.

There are several reports used for transparency, accountability, and performance management including, annual post-season report to NOAA, Governor's State of Salmon Report, and the development of the Hatchery Harvest work schedule.

Craig Bowhay, Fisheries Policy Analyst, Northwest Indian Fisheries Commission, reviewed the recovery and harvest needs in the management plans.

Director Koenings stressed the need for continued vigilance due to global warming and how the numbers change because of this and other ecological changes that are causing lower fish returns.

Due to time constraints the Puget Sound Initiatives discussion moved to the second day of the meeting.

PUBLIC COMMENT

Duane Dillard, citizen, talked about his local community and septic systems. He is concerned about needing to abandon working systems to meet new standards.

2:39 p.m. **RECESS FOR LOCAL TOUR**

Puget Sound Leadership Council
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Mount Vernon, Washington

DAY 2

Members Present:

- Bill Ruckelshaus
- Martha Kongsgaard
- Billy Frank, Jr.
- Diana Gale
- Dan O'Neal
- Steve Sakuma
- Bill Wilkerson

Staff and Other Presenters:

- David Dicks, Executive Director
 - Martha Neuman, Action Agenda Director
 - Chris Townsend, Special Assistant to Executive Director
 - Paul Bergman, Communications Director
 - Tammy Owings, Special Assistant to the Leadership Council
 - Diane Hodgson, Management Assistant to Bill Ruckelshaus
 - Terry Wright, Special Assistant for Billy Frank, Jr.
 - Scott Redman, Action Agenda Manager
 - Mary Beth Brown, Accountability Specialist
 - Jim Cahill, Director of Accountability & Budget
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8:35 a.m. CALL TO ORDER – Bill Ruckelshaus, Chair

Chair Ruckelshaus welcomed everyone. He then requested that everyone introduce themselves.

FUNDING STRATEGY – Jim Cahill, Dennis Canty, Mark Buckley, and Jan Cassin
(See meeting materials for details.)

Jim reviewed the legislation concerning the Partnership's funding responsibilities:
Section 19 (1) The council shall provide its recommendations for the funding necessary to implement the action agenda in the succeeding biennium. The recommendation shall:

- a) Identify funding needed by action agenda element;
- b) Address funding responsibilities among local, state, and federal governments, as well as nongovernmental funding; and

- c) Address funding needed to support the work of the partnership, the panel, the ecosystem work group, and entities assisting in coordinating local efforts to implement the plan.

Dennis Canty talked about the analysis work he is doing that establishes a baseline for evaluating changes in spending and the results. Initial cost conclusions include:

- Per acre restoration cost about 10 times more per acre than preservation/acquisition cost
- Easements are much less expensive than acquisitions
- Restoration projects are concentrated in South and Central Sound where preservation projects are in North Sound
- Low Impact Development costs are comparable to stormwater retrofits

The Council discussed the data needs for decision-making and how to find the numbers needed to make the policy decisions.

Mark Buckley talked about the cost benefit analysis study. He provided some examples of what to not use and what could or should be used to show the cost benefit examples.

Jan Cassin provided the proposed approach to developing a program.

She presented information on three categories for new funding:

- Taxes/fees
- Voluntary Private sector contributions
- Payments for ecosystem services/markets

Diana Gale asked for the numbers to be Puget Sound focused not at a statewide level for the next presentation of this material.

Billy Frank talked about other markets that were missing such as fisheries, tribes, and farmers. These groups are always forgotten. Food needs to be remembered.

STATE BUDGET – Jim Cahill

Jim provided an update on where the state budget review process is.

Partnership staff is working with the other state agencies on collecting budget information. There is an Internet site where state agencies are able to enter their budget information. The plan is to have a staff driven budget process with the assistance of Leadership Council members, Diana Gale and Dan O'Neal. The information will be reviewed in August and then staff will bring the proposal to the September Leadership Council meeting and provide to the Governor's office after the September Leadership Council meeting. Jim will also be bringing the agency budget request to the Council for review and approval in September.

Matha Kongsgaard asked how this process works for the state agencies when we don't have an Action Agenda in place yet? Jim explained that they are using the Leadership Council approved list of principles to help with this exercise.

David explained that although we don't have the Action Agenda, agencies are still trying to make it work in the initial year and using the guidance of the principles is actually very helpful. It is a bit of a dance right now but as we work through this process it will get more refined. The Governor is also planning to put a Puget Sound placeholder in her budget; this will help once the Action Agenda is approved.

PERFORMANCE MANAGEMENT – Mary Beth Brown and Jeremy Sokulsky

Mary Beth Brown introduced Jeremy Sokulsky who has worked with the community of policymakers and scientists in Lake Tahoe in building its performance management system.

Jeremy then presented the Lake Tahoe approach to performance management, discussed lessons learned and opportunities for the Puget Sound Partnership.

Two cautions provided were:

- Don't have too many goals, and
- Coordinate plans

The Lake Tahoe group realized they needed a management system when they had spent over a billion dollars and were unable to say how this money was spent or what it accomplished.

The management system they created focuses on ways to make management decisions. They added components for tracking of activities and expected outputs. He noted that the Partnership doesn't need to start everything at once but can implement the performance management system incrementally.

He has found that there must be political will and backing and a group like the Leadership Council to make the decisions.

Jeremy went through the train of logic using the lake clarity goal as an example. They are using this logic model currently for adaptive management. Lake clarity is continuing to decline even with all the investment. They will be using research findings to refine the work. The original goal was to use a Private Property BMP ordinance that required no runoff from private property. Although they had support for a lake clarity goal, they have only 20% compliance at this point. After looking at the data and results, they found that BMPs are not the best way to reach clarity but that road sweeping is. So they are

refining their action plan to back off on BMPs and focus more on road sweeping activities.

Chair Ruckelshaus noted how this was an example of how adaptive management is difficult and that we will make mistakes in direction. When we find the mistakes, we will need to admit to them, make adjustments, and move on.

Some lessons learned about performance management:

- Leadership commitment to building and using the system is essential
- The system will improve how science informs policy and how lessons learned are used to adapt the Action Agenda
- Focus on a particular strategy, action area, goal or tactic: start small and build capacity
- Success depends on a clear data management strategy
- The structure, set roles and responsibilities and time lines in the system will help us inform the state budget process at the right time. We will become more predictable for those implementers wanting to adjust their budgets, staffing and programs to follow the Action Agenda

Staff from the Partnership will stay in contact with colleagues in Lake Tahoe as they gain more experience in using their management system.

SCIENCE PANEL – Scott Redman and Joel Baker

Joel Baker provided the Leadership Council with an update on what the Science Panel has been working on since his last report.

The Panel is working on:

- Writing the Strategic Science Plan
- Writing the Biennial Science Work Plan (BSWP)
- Reviewing current monitoring efforts (indicators and effectiveness)
- Identifying indicators and benchmarks
- Reviewing the science basis of the 2008 Action Agenda

The Panel has sent four of the five topic forum papers out for confidential peer review. The Panel is still waiting for the water quality paper to be completed to send it out for peer review.

Joel reported that the Strategic Science Plan will address:

1. How is the Puget Sound ecosystem structured and how does it work?
2. How has the Puget Sound ecosystem changed and what will it look like in 2020?
3. How can we best inform management of the Puget Sound ecosystem to meet the six Partnership goals and how will those actions affect social and economic systems?

The Biennial Science Work Plan (BSWP) will follow the Strategic Science Plan and will reflect work for the 2009-2011 biennium. This first plan is a transition plan and will be more of a clear statement of where we are and what is currently being done and statement of where we want to be in two years.

Joel and Scott updated the Council on where the Panel is on getting potential indicators identified and steps for getting to a "report card" list of indicators. The plan is to have at least one indicator for each of the six goals. So far the Panel has found that the most difficult goal to identify indicators for has been species and biodiversity since there are many indicators for individual species but no clear overarching indicator.

David Dicks then discussed the indicators and how we need indicators that are right but they also need to resonate with the public. In the end, we will need to identify a suite of indicators for the science and, of those, a subset to use for the public.

Joel reported that another legislative direction is for the Science Panel to present benchmarks but they haven't gotten that far yet since they need to have indicators and goals before setting the benchmarks.

The Council and Joel discussed the way to set the benchmarks and goals.

The Science Panel will be seeking preliminary approval of indicators and approach for developing and selecting benchmarks at the September Leadership Council meeting.

Joel reviewed monitoring efforts. He believes the Partnership should be the umbrella agency for monitoring activities not be the center for monitoring.

PUBLIC COMMENT PERIOD

Laura Hendricks, Coalition to Protect Puget Sound Habitat, concern with the aquaculture issue. She talked about a recent Action Area meeting and how it was an aquaculture discussion. She told the Council about the complaints she has heard about Totten Inlet. She reported the Coalition has contacted the Department of Natural Resources and are requesting the release of the lands and restoration of the area with no more bulldozing. She would like the Leadership Council to contact the Shellfish Aquaculture Regulatory Committee (SARC) to coordinate efforts. She doesn't want a beach museum to show our children what the beaches use to look like.

Ann Mosness, also talked about aquaculture and how we need to look at everything concerning this topic. She is concerned there is an influence from an industry that limits the way things are being looked at. She suggested at the Grapeview Action Area meeting that a new small business representative be appointed on the ECB.

Chair Ruckelshaus noted that both ladies have testified before the Council in the past. All the Council can do at this point is to take into account concerns and make recommendations as they relate to the existing regulations. The Leadership Council does not have the authority to make the changes that have been requested, it can only take this into account and do what is possible through the tools available.

ENVIRONMENTAL CAUCUS BRIEFING – Naki Stevens, Jacques White, and Bruce Wishart

Naki Stevens provided an overview of their presentation and noted they would provide a written summary of their presentation.

Naki covered Priority A: Changing the System.

She suggested the Action Agenda include:

- Addressing uniform set of standards,
- Basin-wide water budgets, and
- Hiring water masters for each watershed.

Jacques White covered both Priorities B and C – habitat protection and restoration.

Bruce Wishart covered Priority D. He talked about current regulations and the greatest concerns. He thanked the Council for identifying stormwater as a pollution source.

The group discussed water rights issues, panel members noted that none are experts in this topic but will get a written response back to the Council.

They then talked about NPDES permits and lack of staffing at Ecology.

Steve asked what they would do to realign things if there is not new funding? Naki didn't really know of any efforts going on that were a waste.

Jacques, with respect to the ECB local governments, if new mandates are put forth for them to put into place they won't be able to do it without additional funds.

Chair Ruckelshaus noted that no matter what level of government you talk to they don't have any money but the next level does. He noted that he is wants to know what the public believes is the best places to spend money.

The Council discussed current funding sources, need for new fund sources, and need to use the funding we currently have more effectively and on the highest priorities.

SALMON RECOVERY – Joe Ryan

Joe Ryan talked about how each year the Salmon Recovery Funding Board (SRFB) allocates a percentage of salmon recovery funding to each of the salmon recovery regions. In the Puget Sound Salmon Recovery Region, the Recovery Council agrees to the percentage to allocate to each watershed in the region. RCW 77.85.090(3) provides that the Partnership is now the regional salmon recovery entity for Puget Sound salmon species, except for Hood Canal summer chum. Joe is recommending the watershed-based process for selecting salmon recovery projects continue.

Puget Sound SRFB projects arise out of the Puget Sound Salmon Recovery Plan. Annually, each watershed develops a three-year work plan to further work on its Recovery Plan chapter. These three-year work plans are reviewed by the Recovery Implementation Technical Team ("RITT"). The RITT is a group of fisheries scientists appointed by NOAA Fisheries. The RITT review confirms that the three-year work programs are consistent with the sequence of actions necessary to implement the Recovery Plan. The three-year plans are also reviewed by Partnership staff and policy experts, to confirm that they are consistent with the Recovery Plan.

Watersheds publish requests for proposals to implement projects from the three-year work programs. Each watershed reviews the project proposals based on their policy and technical merits. These watershed reviews are conducted by watershed councils and by local technical committees. The RITT does a further technical review to confirm that the specific projects selected by watersheds are consistent with the Recovery Plan. In addition, the SRFB Technical Review Panel evaluates each proposed project on the technical merit of its design and the likelihood of success. If the SRFB Technical Review Panel has concerns, the project is either amended to address the concerns or it is dropped from consideration.

The Puget Sound Salmon Recovery Council is responsible, along with the Recreation and Conservation Office and the Salmon Recovery Funding Board, for assuring that this process is followed.

Bill Wilkerson **MOVED** to continue using the watershed-based process for selecting salmon recovery projects. Dan O'Neil **SECONDED**.

The Council discussed this process asking how they can be assured that the work in the work plan is in line with the Partnership work.

David noted this is another topic that is in the transition. In the coming years, there will be further refinements to assure that salmon recovery projects advance action agenda priorities.

The Council **AGREED** to support the process.

AGRICULTURE PANEL

Mary Heinrich, Executive Director, Washington Ag Institute, introduced the two panel members (Matt Stewart and Mike Holbert). She informed the Council that David Montgomery had been invited to participate but couldn't make it here today. Mary said she would discuss the points she thought Dr. Montgomery would discuss.

She talked about dirt and how long it takes to create soil and the soil make up. Talked about soil make-up and the farming system in Skagit County. The farmers here have a rotational process to assist the soils.

Matt Stewart, local farmer that raises seed, talked about taking over a family farm for a friend. This is his second year farming on his own.

Mike Holbert, third generation farmer, talked about how he works two jobs, one at a pickle factory and the other working for S&B farms. He is a life-long resident and farmer in the valley.

Matt informed the Council that he is not buying any land with his farm. He took over the machinery and the business but the land he is farming is leased. He can't afford to buy the land.

Chair Ruckelshaus asked Mary, Mike, and Matt the one message they would like to have the Leadership Council take with them when writing the Action Agenda.

Matt would like people to know there are a lot of pluses that farmers contribute and they are careful with the environment. He would also like to have the Council limit growth and save farmland.

Mike discussed the great soil and climate in the Skagit Valley. This area is ideal for growing crops and is a phenomenal resource. He is concerned with mitigation and loss of farmland. His message, every acre is important to the farmers in this valley.

Mary would like to have the Council consider agriculture an important resource.

Billy Frank Jr. talked about how he has supported agriculture and supports the farmers.

Chair Ruckelshaus thanked them for their testimony.

PUBLIC COMMENT PERIOD:

Ann Mosness, discussed NOAA legislation on the National Off Shore Aquaculture Act.

Jeff Sax, Building Industry Association of Washington, talked about how he would like the Leadership Council be the ruthless lords of policy to make this work. He discussed his concerns with water, NPDES permitting and number of employees Ecology is requesting, amount of taxes and how money can and can't be used. He discussed how regulations increase the cost of homes and about green collar jobs. He talked about how people should be creating a positive impact on the world and his concern that enforcers will be coming on to people's private property. He doesn't want an environmental police state. He believes Conservation Districts have done a great job in assisting the people.

Mike Shelby, Western Washington Agricultural Association, provided the Council with follow-up tour materials concerning local farm activities.

2:48 p.m. ADJOURN

Leadership Council Approval



Bill Ruckelshaus, Chair

Date 11/11/08

Next Meeting: Next meeting September 3 & 4, 2008
 Jamestown S'Klallam Conference Room
 Sequim, Washington

